

NEWS RELEASE

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FOR IMMEDIATE RELEASE Wednesday, January 16, 2008

08-08

FIVE ALASKANS AND A CANADIAN INDICTED BY FEDERAL GRAND JURY FOR CHARGES RELATED TO MARIJUANA DISTRIBUTION IN ALASKA

Anchorage, Alaska – United States Attorney Nelson P. Cohen announced today, January 16, 2008, that five Alaska residents and one Canadian resident have been indicted by a federal grand jury in Anchorage on charges of conspiring to import marijuana into the United States from Canada; conspiring to distribute marijuana in Alaska; laundering marijuana proceeds; and engaging in unlawful monetary transactions involving marijuana proceeds. The indictment also seeks criminal forfeiture of a Wasilla residence allegedly involved in marijuana distribution, and the forfeiture of personal property purchased with marijuana proceeds.

The seven-count indictment named David W. Knutson, age 36, Patrick N. McIlvain, age 31, Rachel H. Ross, age 32, Donald K. Johnston, age 46, and James C. Adams, II, age 39, as defendants.

According to the indictment, David Knutson of Vancouver, B.C. regularly supplied McIlvain and other Alaskan co-conspirators with "B.C. Bud" marijuana, in amounts ranging from 80 to 150 pounds, from approximately January 2004 until 2007. The marijuana was smuggled into Alaska inside snow machines and in hidden compartments in inflatable boats and camping trailers.

Assistant United States Attorney James Barkeley, who presented the case to the grand jury, indicated that the law provides for a mandatory minimum of five years in prison, a maximum total sentence of 40 years in prison, a fine of two million dollars, or both. Under the Federal Sentencing Guidelines, the actual sentence imposed will be based upon the seriousness of the offenses and the prior criminal history, if any, of each defendant.

The Alaska State Troopers' Mat-Su Drug Unit, the Drug Enforcement Administration (in Anchorage and Portland, Oregon), the Anchorage Police Department and the Internal Revenue Service—Criminal Investigations conducted the investigation leading to the indictment in this case.

An indictment is only a charge and is not evidence of guilt. A defendant is presumed innocent and is entitled to a fair trial at which the government must prove guilt beyond a reasonable doubt.

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